WASHINGTON, D.C.—Today the House of Representatives passed H.R. 3961, the Medicare Physician Payment Reform Act to put in place a permanent solution to Medicare's reimbursement rates and protect seniors' access to their doctors. Representative Xavier Becerra (CA-31), Vice Chair of the House Democratic Caucus and a senior member of the Ways and Means Committee, voted for the bill's passage.

"No longer will we kick this can down the road," Rep. Becerra said. "Our seniors and their physicians deserve to know that Medicare payments will be there when they need them, now and into the future. This bill puts in place a fair and sustainable reimbursement system that provides for increased primary care services and eliminates the pending cuts that would have endangered access to treatment for millions of Medicare beneficiaries."

The legislation will repeal a 21 percent fee reduction scheduled for January 2010 and replace it with a stable system that ends the cycle of threats of ever-larger fee cuts followed by short-term patches. Permanent reform of physician payments in Medicare will guarantee that Medicare beneficiaries continue to enjoy the excellent access to care that they do today.

The House also attached statutory "pay-as-you-go," or PAYGO, legislation to the Medicare Physician Payment Reform Act before sending it to the Senate. By joining statutory PAYGO with legislation fixing Medicare physician payments, PAYGO becomes more credible and effective – avoiding the need to waive it for current policies that Congress and the President have already agreed should be extended – and sending a clear message that the Democratic Congress is committed to fiscal responsibility.

The bill also promotes access to primary care services in Medicare and throughout the health care system by providing an extra growth allowance for those services. It also encourages the formation of Accountable Care Organizations which incentivize physicians to take responsibility for improving quality and reducing costs. Accountable Care Organizations may "opt out" of the national spending targets and establish their own organization-specific targets.

The bill is supported by a wide range of organizations representing patients, doctors and other providers, including the American Medical Association, AARP, the Military Officers Association

of America, the American Academy of Family Physicians, the American College of Physicians, the American College of Surgeons, the Center for Medicare Advocacy, the Medicare Rights Center, and the National Committee to Preserve Social Security and Medicare.

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